

# Athene Fixed Income Investor Presentation

May 2023



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Unless the context requires otherwise, references in this presentation to "Apollo" and "AGM" refer to Apollo Global Management, Inc., together with its subsidiaries, references in this presentation to "AGM HoldCo" refer to Apollo Global Management, Inc., and references in this presentation to "AAM" refer to Apollo Asset Management, Inc., a subsidiary of Apollo Global Management, Inc.

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AHL adopted the US GAAP accounting standard related to Targeted Improvements to the Accounting for Long-Duration Contracts (LDTI) as of January 1, 2023, which required AHL to apply the new standard retrospectively back to January 1, 2022, the date of AHL's merger with AGM. Certain 2022 US GAAP financial metrics and disclosures in this presentation have been retrospectively adjusted in accordance with the requirements of the adoption guidance of LDTI. Please refer to the discussion of Non-GAAP Measures and Definitions herein for additional information on items that are excluded from Athene's non-GAAP measure of spread related earnings, which was retrospectively adjusted in accordance with the requirements of the adoption guidance of LDTI.

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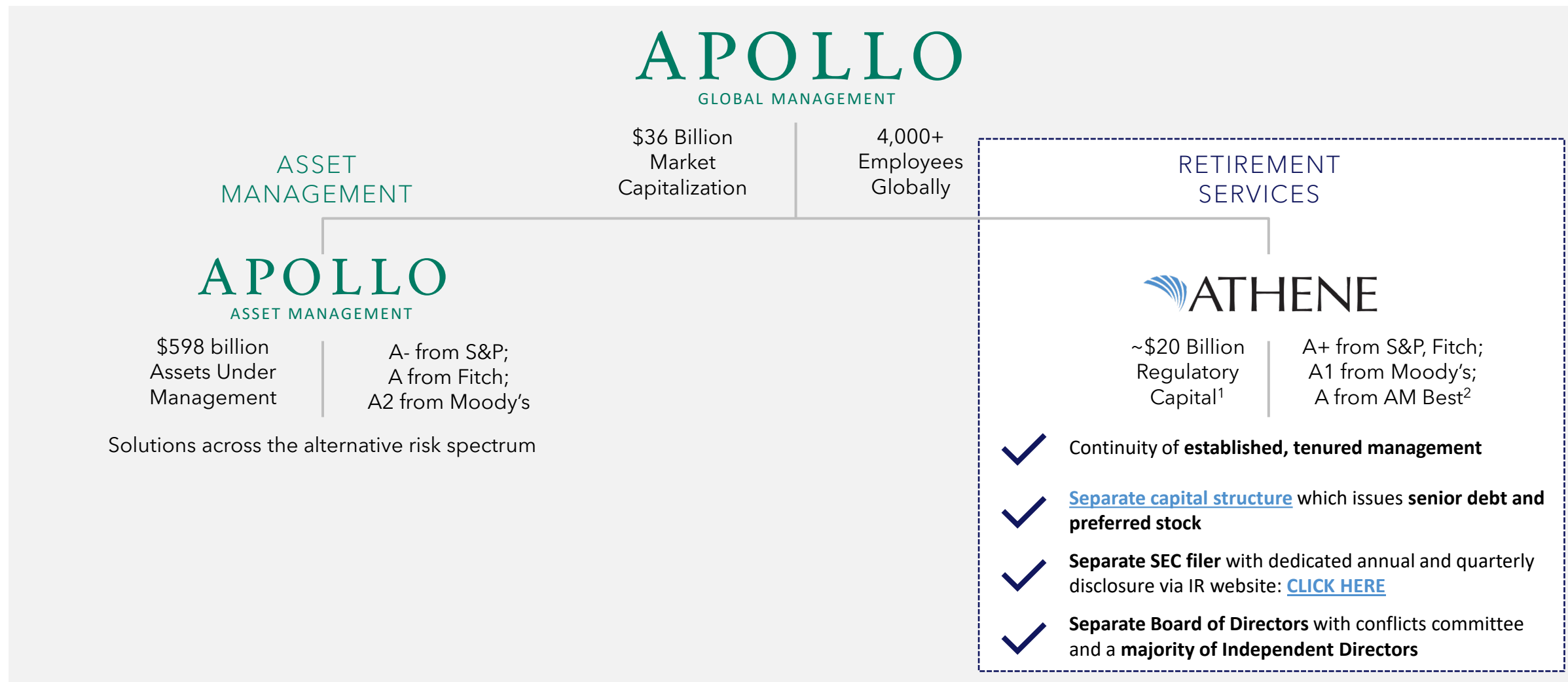
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All information is as of the dates indicated herein.



# Athene and AAM Are Consolidated Under AGM Following Merger in 2022



As of March 31, 2023, unless otherwise noted. Please refer to page 37 of this presentation for the definition of Assets Under Management. 1. Represents the aggregate capital of Athene's US and Bermuda insurance entities, determined with respect to each insurance entity by applying the statutory accounting principles applicable to each such entity. Adjustments are made to, among other things, assets and expenses at the holding company level. 2. Financial strength ratings for insurance operating companies. Strength ratings are statements of opinions and not statements of facts or recommendations to purchase, hold or sell securities. They do not address the suitability of securities for investment purposes and should not be relied on as investment advice.



# Athene is a Leading Retirement Services Business...

- ✓ Provides attractive products that help make guaranteed retirement income affordable for Americans
- ✓ Longstanding relationship with Apollo since Athene's founding in 2009, completed strategic merger on January 1, 2022
- ✓ Stable, predictable, low-cost funding profile with no legacy liability issues
- ✓ Highly efficient and scalable operating structure

\$248B

Gross invested assets as of  
March 31, 2023

#1

Leading market share  
in fixed annuities<sup>1</sup>

1,800+

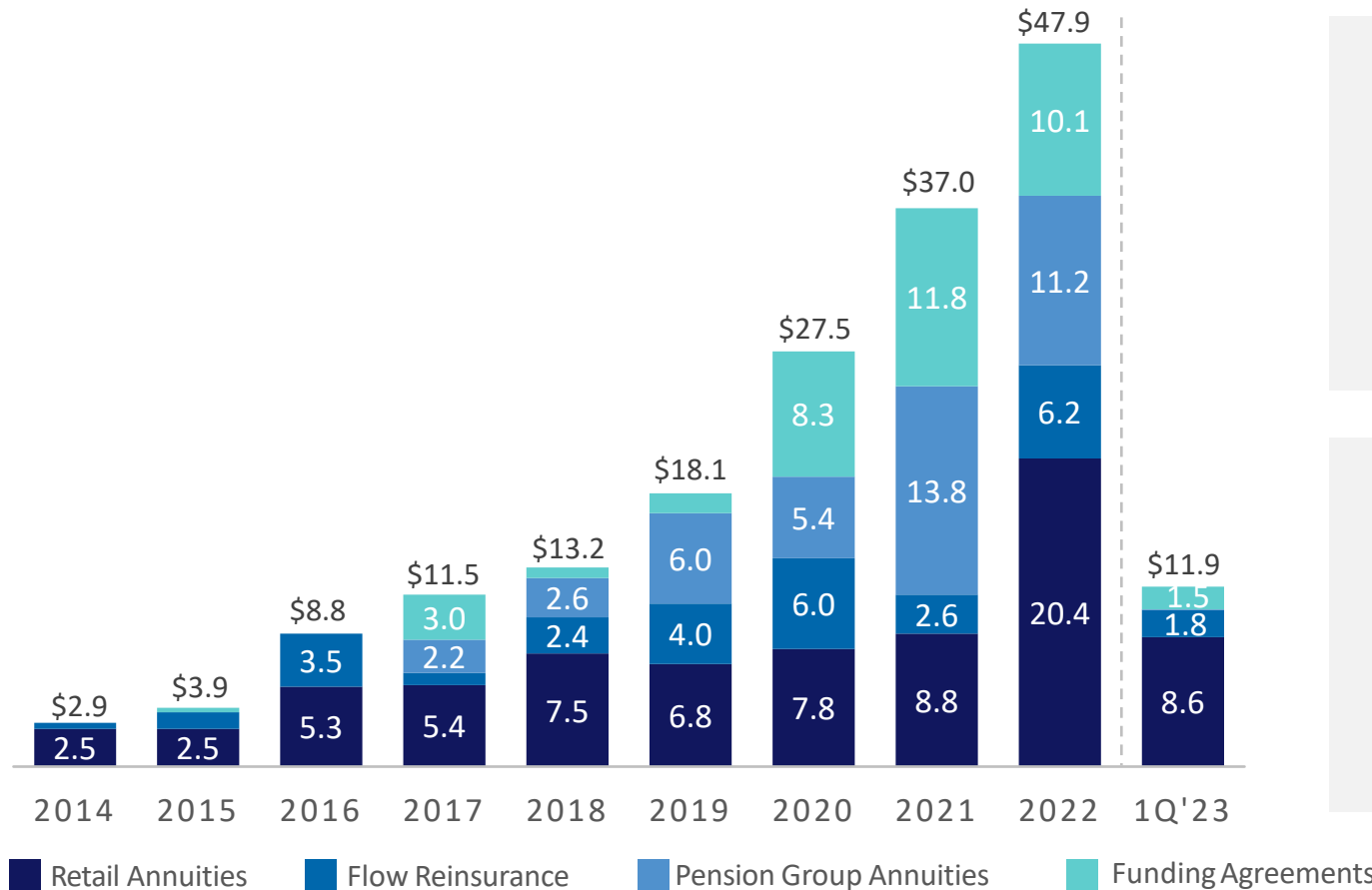
Total employees, with 1,500+  
located in U.S. Headquarters in  
West Des Moines, Iowa<sup>2</sup>

1. Industry rankings per Life Insurance Marketing and Research Association (LIMRA) as of December 31, 2022. 2. As of March 31, 2023.



# ...Which Has Diligently Built Diversified Organic Growth Capabilities

Organic Inflows by Channel (\$B)



Athene is a Market Leader  
Across US Organic Inflow Channels

## Retail Annuities

#1 Market Share  
for Fixed Index  
Annuity Issuance  
in 2022<sup>1</sup>

## Funding Agreements

#1 Market Share  
in 2021<sup>2</sup>

## Pension Group Annuities

#1 Combined  
Market Share  
from 2020-2022<sup>1</sup>

## Flow Reinsurance

Record Annual Inflows  
in 2022

1. LIMRA data for full year 2020, 2021, and 2022. 2. Credit Suisse data for full year 2021. Funding agreements are comprised of funding agreements issued under our FABN and FABR programs, funding agreements issued to the FHLB and long-term repurchase agreements. Market share relates to FABN market only.



# 2023 Is Off to a Tremendous Start

- ✓ **Robust organic growth underwritten to strong returns**  
driven by record retail annuity issuance amid a rising rate environment
- ✓ **Record normalized Spread Related Earnings (SRE)** driven by profitable growth and higher interest rates
- ✓ **Robust statutory capitalization** in-line with S&P 'AA' rating levels
- ✓ **Fortress balance sheet** that contains excess equity capital and strong liquidity

**\$12B**

Gross Organic Inflows  
(1Q'23)

**\$810M**

Normalized (1Q'23)

**\$20B**

Total Regulatory Capital<sup>1</sup>

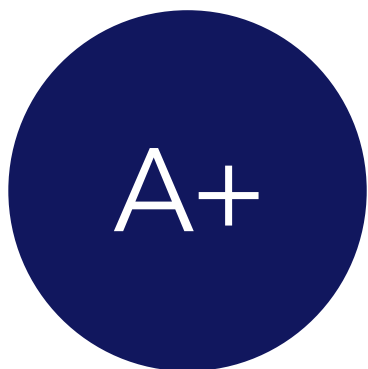
**\$2.0B**

Excess Equity Capital<sup>2</sup>

Note: Athene metrics are net of non-controlling interest in ACRA, as of March 31, 2023. 1. Represents the aggregate capital of Athene's US and Bermuda insurance entities, determined with respect to each insurance entity by applying the statutory accounting principles applicable to each such entity. Adjustments are made to, among other things, assets and expenses at the holding company level. 2. Computed as the capital in excess of the capital required to support our core operating strategies as determined based upon internal modeling and analysis of economic risk as well as inputs from rating agency capital models and consideration of both NAIC RBC and Bermuda capital requirements.



# Athene Has Built a Fortress Balance Sheet...



Financial  
Strength Profile<sup>1</sup>



Regulatory  
Capital<sup>2</sup>



Excess  
Equity Capital<sup>3</sup>



Available  
Liquidity<sup>4</sup>



Total  
Deployable Capital<sup>5</sup>

Note: Athene metrics are net of non-controlling interest in ACRA, as of March 31, 2023. 1. Relates to Athene's primary insurance subsidiaries; represents ratings from AM Best "A", Fitch "A+", S&P "A+" and Moody's "A1". 2. Represents the aggregate capital of Athene's US and Bermuda insurance entities, determined with respect to each insurance entity by applying the statutory accounting principles applicable to each such entity. Adjustments are made to, among other things, assets and expenses at the Athene holding company level. 3. Computed as the capital in excess of the capital required to support our core operating strategies, as determined based upon internal modeling and analysis of economic risk, as well as inputs from rating agency capital models and consideration of both NAIC RBC and Bermuda capital requirements. 4. Includes \$12.7B of cash and equivalents, \$2.5bn AHL/ALRe liquidity facility with \$0.5bn accordion feature, \$2.0bn committed repo, \$1.25bn AHL revolver with \$0.5bn accordion feature, \$1.0bn of Federal Home Loan Bank (FHLB) capacity, and \$57.1B liquid bond portfolio. Availability of accordion features subject to lender consent and other factors. 5. Includes excess equity capital of \$2.0 billion, untapped debt capacity of \$3.2 billion, \$0.3 billion in available undrawn capital at Athene Co-Invest Reinsurance Affiliate Holding Ltd. (together with its subsidiaries, ACRA 1) and \$2.0 billion pro forma for the initial closing of Athene Co-Invest Reinsurance Affiliate Holding 2 Ltd. (together with its subsidiaries, ACRA 2) which is expected to occur on July 1, 2023. Untapped debt capacity assumes capacity of 25% debt-to-capitalization and is subject to general availability and market conditions.

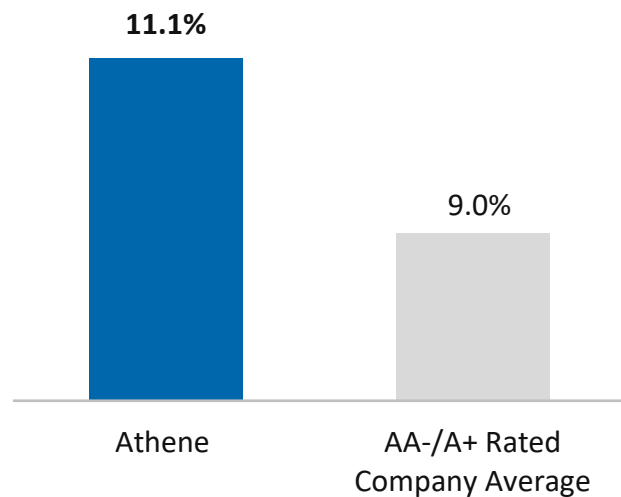


# ...That Outperforms the Competition

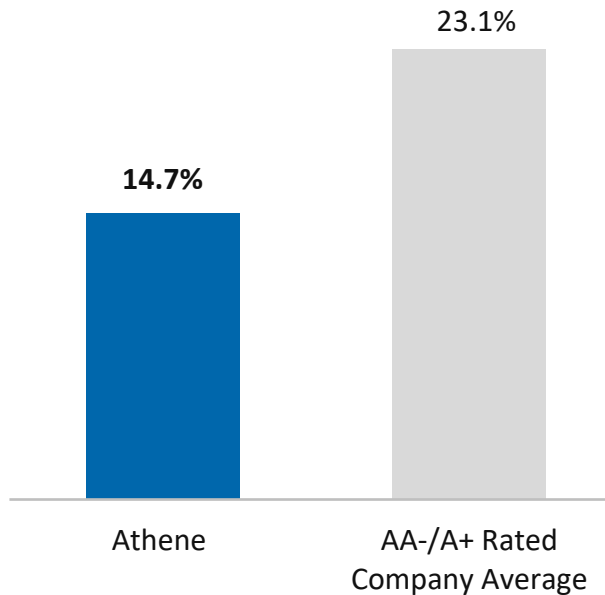


## Higher Statutory Capital vs. Reserves<sup>1</sup>

~\$20B OF STAT  
CAPITAL

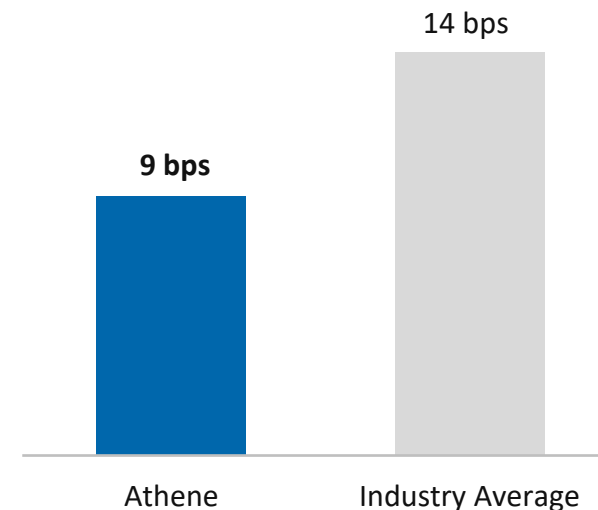


## Lower Adjusted Debt-to-Capital<sup>2</sup>



## Lower Credit Losses<sup>3</sup>

Trailing 5 Year Avg.  
(2018-2022)



1. Athene metrics are net of non-controlling interest in ACRA, as of March 31, 2023. AA-/A+ Rated Companies metrics as of December 31, 2022 per SNL Financial. AA-/A+ Rated Companies are: PFG (A+), MET (AA-) GL (AA-), and PRU (AA-). 2. Refers to Athene adjusted debt-to-capital ratio as of March 31, 2023. AA-/A+ Rated companies metrics as of December 31, 2022. AA-/A+ Rated Companies are: PFG (A+), PRU (AA-), MET (AA-) and GL (AA-). 3. Peer U.S. statutory impairments per SNL Financial. Industry average includes AEL, CRBG (Formerly AIG L&R), AMP, BHF, EQH, F&G, LNC, MET, PFG, PRU, VOYA and Transamerica. For Athene, U.S. statutory data adjusted to include impairments and assets in Bermuda.



# Strong Capital and Liquidity Profile

416%

2022 Consolidated Risk Based Capital (RBC) Ratio<sup>1</sup>

387%

2022 U.S. RBC Ratio<sup>2</sup>

407%

2022 Bermuda RBC Ratio<sup>3</sup>

## Athene's Available Liquidity (\$B)

1	Cash & Equivalents <sup>4</sup>	\$12.7
2	AHL/ALRe Liquidity Facility <sup>5</sup>	\$3.0
3	Committed Repurchase Facilities	\$2.0
4	AHL Revolver <sup>5</sup>	\$1.8
5	Available FHLB Borrowing Capacity	\$1.0
6	Liquid Bond Portfolio <sup>6</sup>	\$57.1

Total Available Liquidity

\$78B

1. The consolidated risk-based capital ratio of our non-US reinsurance and US insurance subsidiaries is calculated by applying NAIC risk-based capital factors to the statutory financial statements on an aggregate basis, including interests in other non-insurance subsidiary holding companies; with an adjustment in Bermuda and non-insurance holdings companies to limit RBC concentration charges such that when they are applied to determine target capital, the charges do not exceed 100% of the asset's carrying value. 2. The CAL RBC ratio for Athene Annuity & Life Assurance Company, our parent US insurance company. 3. The risk-based capital ratio of our non-US reinsurance subsidiaries is calculated by applying NAIC risk-based capital factors to the statutory financial statements on an aggregate basis, excluding US subsidiaries and interests in other non-insurance subsidiary holding companies with an adjustment in Bermuda and non-insurance holdings companies to limit RBC concentration charges such that when they are applied to determine target capital, the charges do not exceed 100% of the asset's carrying value. 4. Relates to \$12.7bn of cash and equivalents. 5. \$2.5bn liquidity facility with \$0.5bn accordion feature, available to AHL and Athene Life Re Ltd. (ALRe), one of Athene's largest Bermuda subsidiaries and, relates to \$1.25bn revolver with \$0.5bn accordion feature available to Athene Holding, Ltd. (AHL). Availability of accordion features subject to lender consent and other factors. 6. Includes \$54.6bn book value of liquid public corporate bond portfolio, and \$2.5bn book value of state, municipal, political subdivisions and foreign government securities.



# Athene Is Committed to Strong Ratings, with an Upward Trajectory



REAFFIRMED RATING

'A+'  
Outlook Stable

"Additionally, the Outlook reflects Fitch's belief that **Athene's asset/liability management (ALM) is strong** and the company remains well matched from both a duration and cash flow perspective. Finally, Fitch believes that **Athene remains well positioned from a liquidity standpoint**, while also maintaining **significant sources of contingent capital**."

FITCH, MAY 2023



'A+'  
Outlook Stable

"**We view Athene's capital and earnings as very strong.** Capital adequacy remained above the 'AA' level per our capital model as of year-end 2021, and we expect the company will maintain at least a 'AA' capital level over the next few years... Athene's merger with Apollo **has not materially changed the company's strategy or execution.**"

S&P, DECEMBER 2022



INITIAL RATING

'A1'  
Outlook Stable

"The A1 rating of Athene's US and Bermuda-based life insurance companies reflects the company's **strong market position in its core insurance products**... Other strengths include **very good capital levels, modest financial leverage, and strong interest coverage** metrics, as well as **solid profitability driven by strong asset returns.**"

MOODY'S, JULY 2022



'A'  
Outlook Stable

"The ratings reflect Athene's **balance sheet strength**, which AM Best categorizes as very strong, as well as its **strong operating performance**, favorable business profile and appropriate enterprise risk management..."

A.M. BEST, APRIL 2022

Note: Ratings represent financial strength ratings for primary insurance subsidiaries.



# Athene Utilizes Numerous Sources of Capital to Grow

1

## Earnings Generation & Capital Release

- **Earnings generation**
  - \$2.5B of normalized spread related earnings (SRE) in 2022
  - >20% earnings growth expected in 2023 on a normalized basis
  - \$810mm of normalized spread related earnings (SRE) in 1Q'23
- **Capital Release from Runoff**
  - \$1.5B in 2022, net of ADIP

Normalized Spread-Related Earnings:

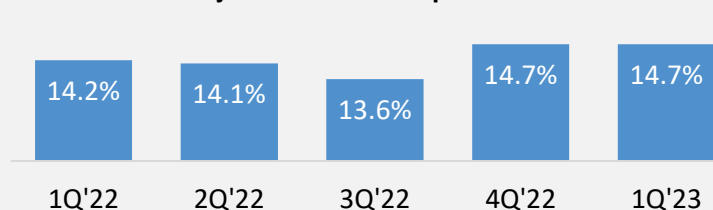


2

## Capital Markets Issuance

- **Athene Holding Ltd. (AHL) Series A-E Preferred Equity**
  - \$2.9B issued to date
- **AHL Senior Debt**
  - \$3.4B outstanding
- Targeting a conservative mid-teens adjusted debt-to-capital ratio:

Adjusted Debt-to-Capital Ratio:



3

## Strategic Sidecar Capital

- **Apollo/Athene Dedicated Investment Program (ADIP)** is a third-party capital sidecar
- **Provides on-demand equity capital** to help fund Athene's growth, **and pays a wrap fee to Athene** for spread liabilities sourced

ADIP I closed in 2019; \$3.25B

Second vintage of strategic sidecar to support Athene's organic growth upon expected launch in 3Q'23



# Strategic Sidecar Supports Athene's Growth with On-Demand Equity Capital

## Apollo/Athene Dedicated Investment Program (ADIP)

~\$3B  
CAPITAL DEPLOYED  
SINCE INCEPTION

Targeted ~40%  
SUPPORT FOR  
MARGINAL GROWTH  
(2023E)



Direct equity capital to support Athene's growth



Greater third-party participation & capital efficiency for Athene



Enhances Athene's ROE on business retained

Strong investment performance since inception in 2019



Second strategic capital sidecar

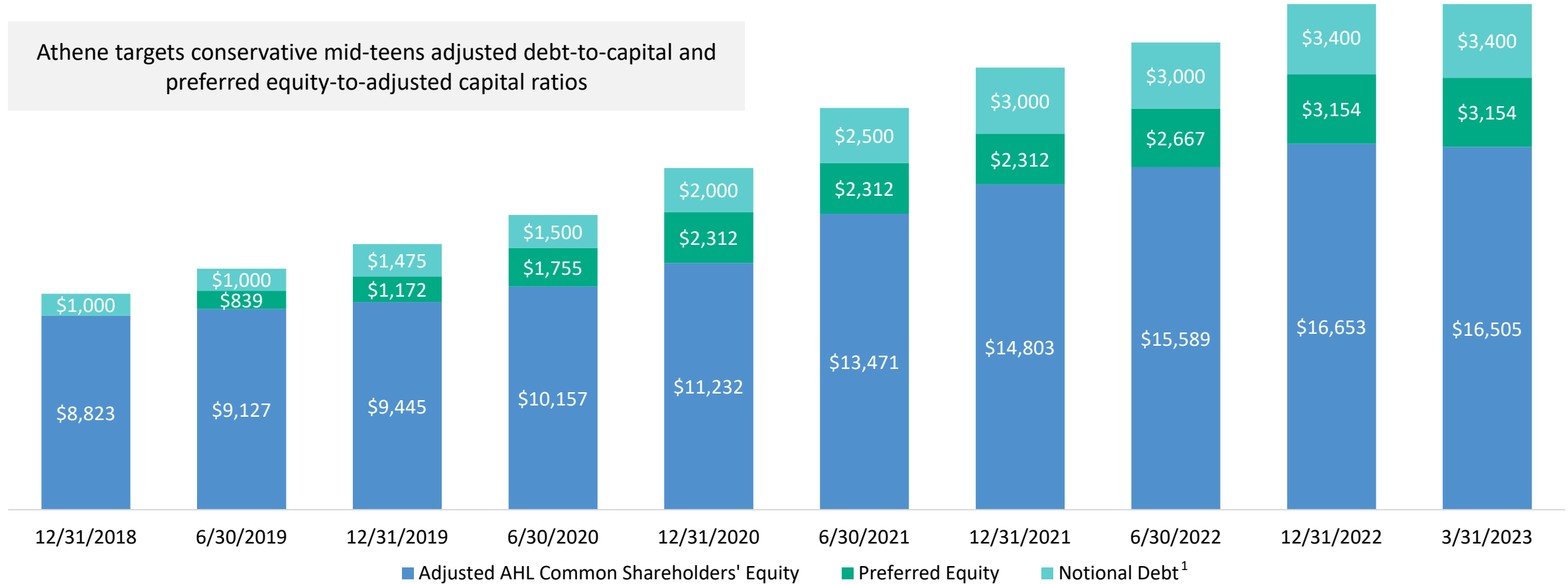
Note: Past performance is not a guarantee of future results.



# Total Capitalization Mix Highlights Disciplined Capital Management Strategy

## Historical Composition of Athene's Adjusted Capitalization

Athene targets conservative mid-teens adjusted debt-to-capital and preferred equity-to-adjusted capital ratios



1. Includes both short-term and long-term debt, at notional.



# Capital Allocation Priorities

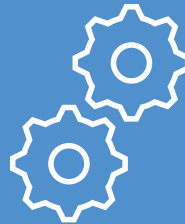
Athene Allocates Capital to Support its Fortress Balance Sheet, Which Enables the Pursuit of Profitable Growth

Maintain  
Fortress Balance Sheet



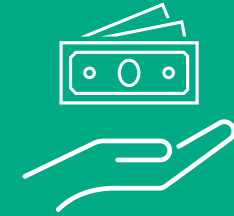
Preserve excess capital at 'AA' levels with a mid-teens adjusted debt-to-capital ratio and strong liquidity

Support  
Profitable Growth



Balance sheet strength determines the capital available to pursue profitable growth opportunities

Facilitate  
Capital Return



Successful profitable growth supports the budgeted \$750 million annual dividend to AGM HoldCo



# Consistent Investment Management Philosophy

Target higher and sustainable risk-adjusted returns by capturing illiquidity premia to drive consistent yield outperformance

Focus on downside protection given long-dated liability profile and low cost of funding

Dynamic asset allocation to take advantage of market dislocations

Differentiation driven by proprietary asset origination and greater asset expertise

30 – 40 bps

Targeted Incremental Yield Without Incremental Credit Risk



# High Quality Asset Portfolio Generates Safe Yield

## Key Attributes

94%

Invested in Fixed Income or  
Cash

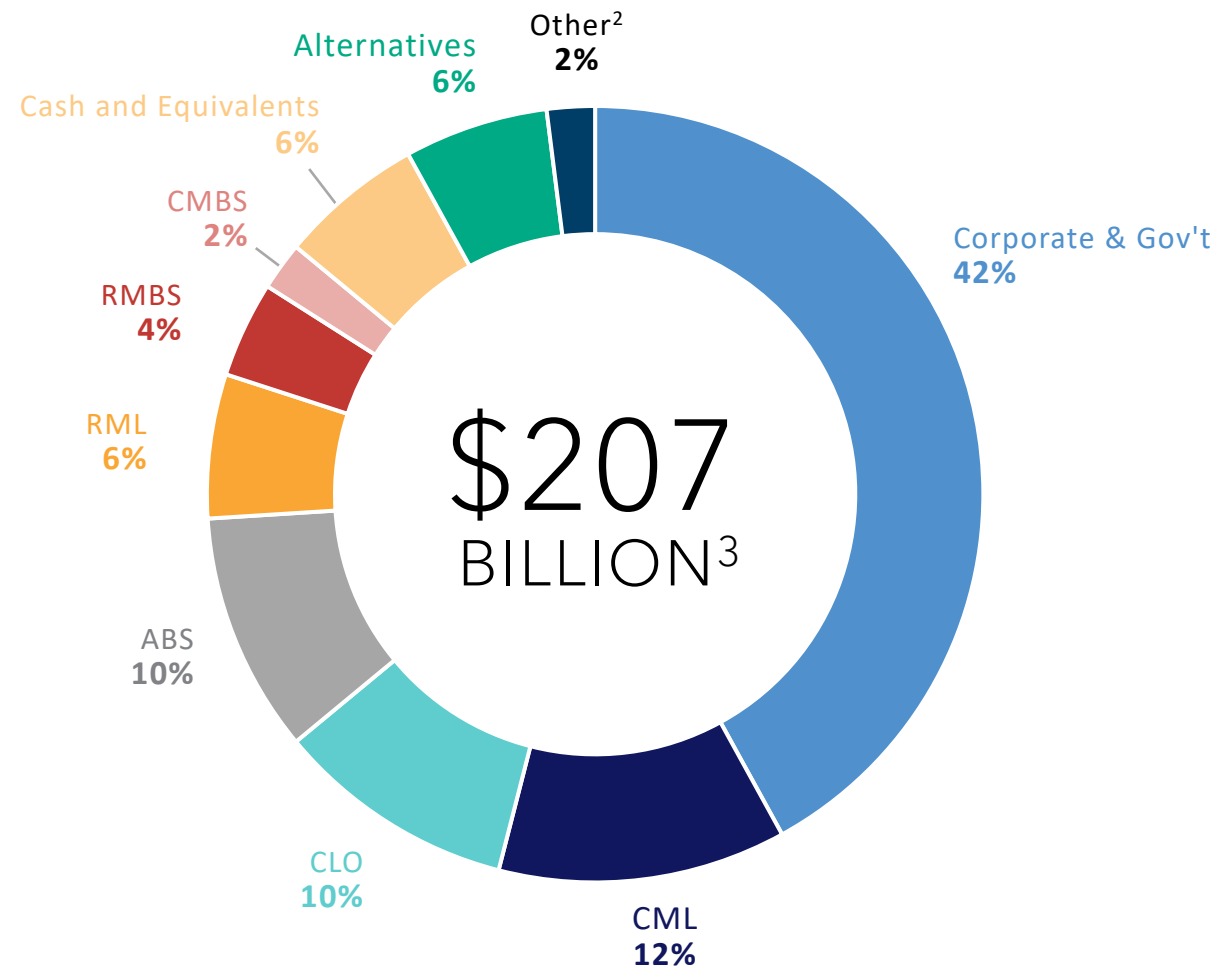
96%

AFS Fixed Maturity Securities  
Rated Investment Grade<sup>1</sup>

6%

of Invested Assets in  
Differentiated  
Alternatives

- ✓ RESILIENT
- ✓ HIGH GRADE
- ✓ STRESS TESTED



Note: Net invested assets includes Athene's proportionate share of ACRA investments, based on Athene's economic ownership, but does not include the proportionate share of investments associated with the noncontrolling interest. 1. As of March 31, 2023, 96% of \$119 billion of available for sale securities designated NAIC 1 or 2. 2. Includes short-term investments, equity securities, policy loans and other investments. 3. Represents net invested assets as of March 31, 2023. Gross invested assets were \$247.7 billion as of March 31, 2023, including ACRA non-controlling interests.

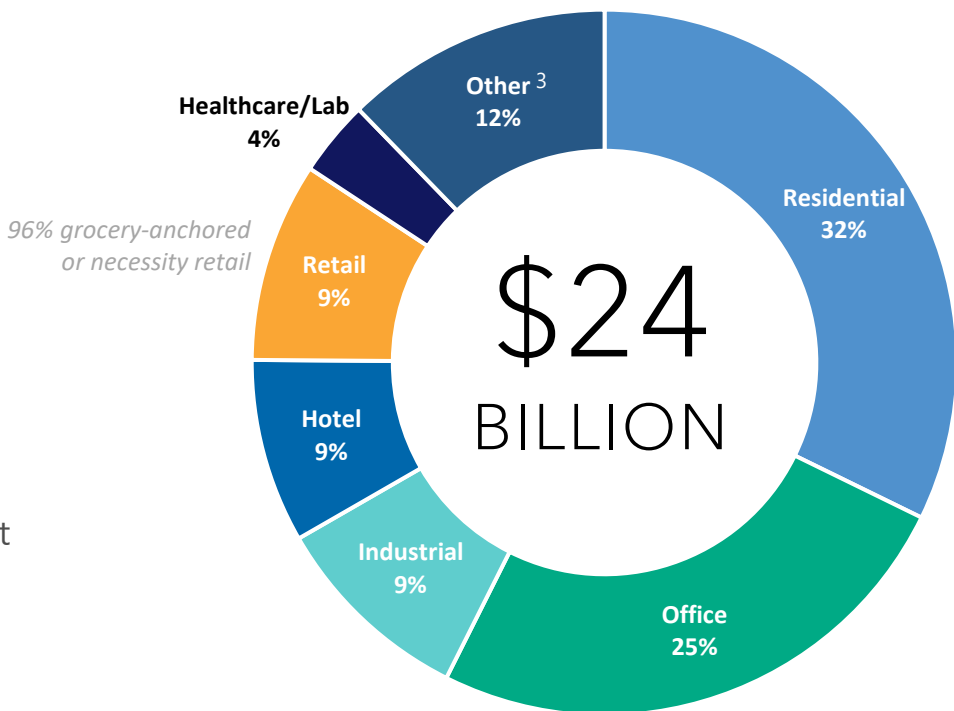


# Athene Has a Well-Constructed Commercial Mortgage Loan Portfolio

## Key Portfolio Attributes

82%	35%	1.8x	55%	76%
First Mortgage	Floating Rate	Debt Service Coverage Ratio <sup>1</sup>	Weighted Avg. LTV <sup>2</sup> 54% 1 <sup>st</sup> mortgage 62% mezzanine	CM-1&2

- ✓ Low-leverage senior lending with defensive, high-quality property types
- ✓ Borrowers are required to purchase interest rate caps as a hedge against rising floating rates
- ✓ >99% CML positions paid current through March 2023
- ✓ 56% LTVs on originations post onset of COVID-19



Note: Data presented on a net invested assets basis, excluding Athene's non-controlling interest in ACRA.

1. DSCR is calculated based on interest rate cap. 2. LTV figures based on original appraised values at close or most recent appraisal. 3. Other includes Schools, Student Housing, Caravan Parks, Production Studios, Parking Garages, and Self Storage.



# Athene's CML Office Investments are 100% Debt

## Office Portfolio Attributes

77%  
First  
Mortgage



Strong Credit  
Metrics and  
Structure

1.9x  
Debt Service  
Coverage  
Ratio<sup>1</sup>



High Quality  
Sponsors with  
Deep Pockets

57%  
Weighted  
Avg LTV<sup>2</sup>  
57% 1<sup>st</sup> mortgage  
59% mezzanine



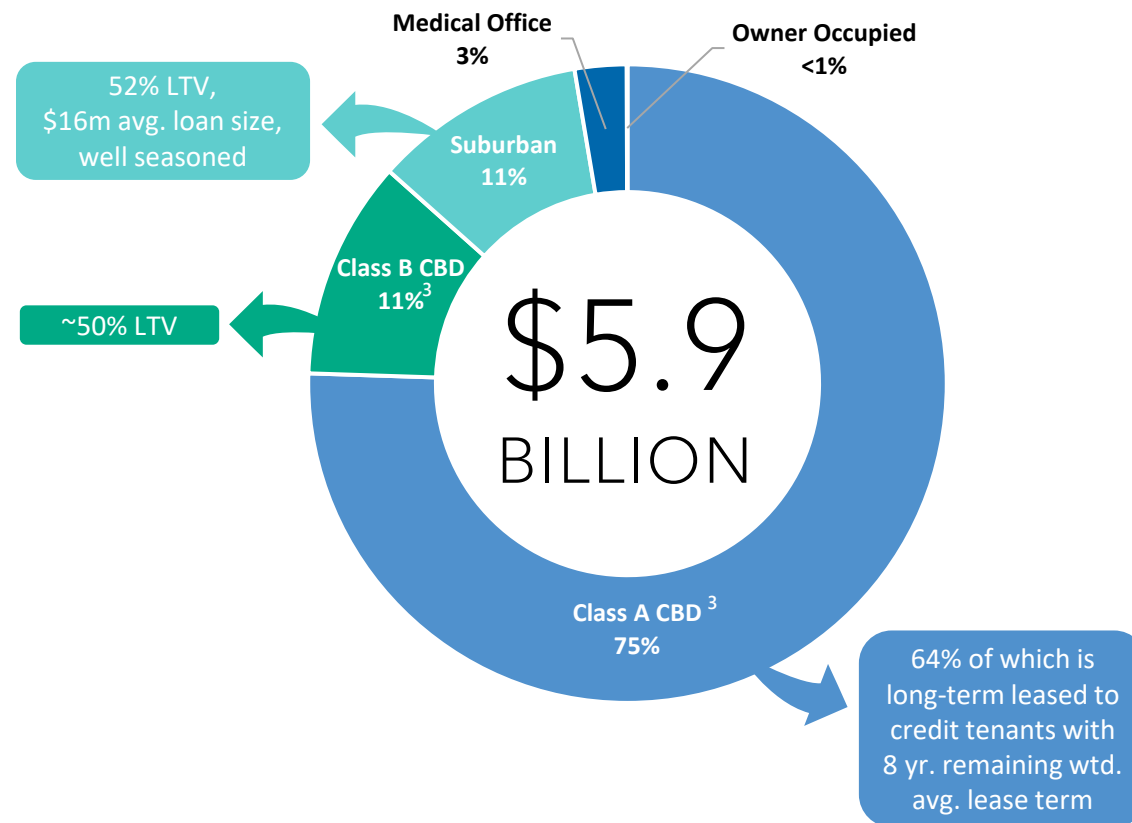
Concentrated in  
Loans with  
Class A Assets  
and Long-Term  
Leases

76%  
CM-1&2  
23%  
CM-3



Proactive Asset  
Management  
Focus

## Office Portfolio Composition



Note: Data presented net of Athene's non-controlling interest in ACRA.

1. DSCR is calculated based on interest rate cap. 2. LTV figures based on original appraised values at close or most recent appraisal 3. CBD "Central Business District".



# Persistent and Predictable Liability Portfolio Provides Long-Dated Funding

Retirement Savings Products with Structural Features That Increase Stability

## Key Attributes

8 Year

Weighted Average Life  
of Funding<sup>1</sup>

83%

Of Funding Carries a  
Withdrawal Penalty or Cannot  
be Withdrawn

2.45%

Cost of Funds on  
In-Force<sup>4</sup>

In-Line

Policyholder-Driven  
Withdrawal Activity Amid  
Higher Interest Rates<sup>5</sup>



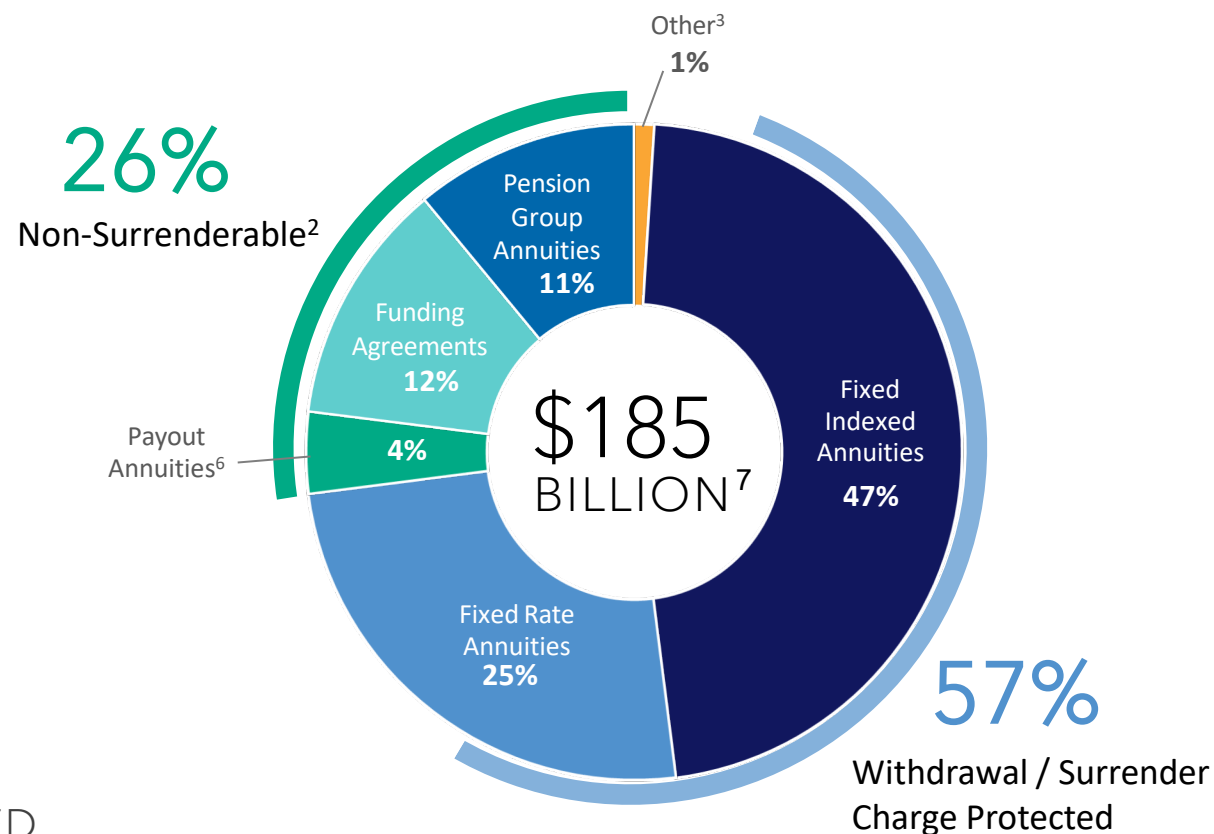
SPREAD  
BASED



CONSERVATIVELY  
UNDERWRITTEN



VERY LIMITED  
TAIL RISK



1. Calculation based on net reserve liabilities as of March 31, 2023. 2. Non-surrenderable liabilities include buy-out pension group annuities other than those that can be withdrawn as lump sums, funding agreements and payout annuities. 3. Other primarily consists of the AmerUs Closed Block liabilities and other life reserves. 4. For the three months ended March 31, 2023. 5. In-line with company expectations. 6. Includes Single Premium Immediate Annuities, Supplemental Contracts and Structured Settlements. 7. The liability portfolio allocation is based on net reserve liabilities as of March 31, 2023.



# Risk Management is Embedded in Everything We Do

Managing Risk Such That Athene Can Grow Profitably Across Market Environments

## Duration-Matched Portfolio with Quarterly Cash Flow Monitoring & Stress Testing



Robust risk management framework and procedures underpin focus on protecting capital and aligning risks with stakeholder expectations



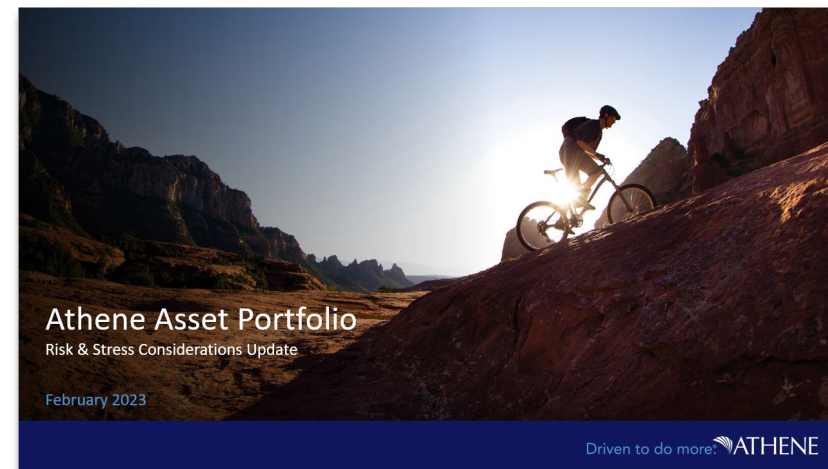
Risk strategy, investment, credit, asset-liability management (“ALM”) and liquidity risk policies, amongst others, at the board and management levels



Stress testing plays a key role in defining risk appetite, with tests performed on both sides of the balance sheet

[CLICK HERE](#)

TO VIEW ATHENE’S ASSET STRESS TEST ANALYSIS



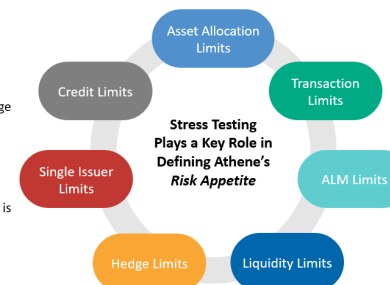
### An Experienced Risk Team Manages a Robust Governance & Limit Framework Supporting Athene’s Risk Appetite

#### Experienced risk team

- Chief Risk Officer leads team of **more than 50 professionals** focused on Athene’s risk profile, with reporting to the Athene Board Risk Committee Chair
- Maintains **set of risk committees, policies, and limits** to manage its key risks and ensure proper governance and reporting to senior management and the Athene Board

#### Disciplined risk appetite

- Enterprise **risk appetite is established using stress testing** and is cascaded to the business through risk limits
- Maintaining excess capital and liquidity allows Athene to be **positioned to take advantage of opportunities** in times of market dislocation



ATHENE

15



# Athene is Committed to Transparency and Ongoing Disclosure

- 1 Athene Financial Supplement will continue to be published quarterly
- 2 Athene Holding Ltd. (AHL) will continue to publish 10-K's and 10-Q's as a '34 Act SEC filer
- 3 Parent company, Apollo Global Management, Inc. (AGM) publishes 10-K's and 10-Q's as a '34 Act SEC filer
- 4 Statutory filings for main Athene operating subsidiaries, including Bermuda, available via IR website
- 5 Committed to publishing asset stress test results on an annual basis

## Supplemental Disclosure Items Provide Additional Perspective on Athene's Strategy and Performance

### Funding Model / Surrenders

May 2023

[CLICK HERE](#)

### Commercial Real Estate Overview

April 2023

[CLICK HERE](#)

### Corporate Structure Overview

April 2023

[CLICK HERE](#)

### Asset Stress Test

February 2023

[CLICK HERE](#)



# Key Credit Highlights Indicate Winning Strategy Remains the Same

- 1 ATHENE IS A MARKET LEADER IN RETIREMENT SERVICES**  
Demonstrated ability to source stable, low-cost, long-dated funding across multiple organic business channels
- 2 ATHENE HAS BUILT A FORTRESS BALANCE SHEET**  
Highly-rated and conservatively managed balance sheet with ample liquidity and no legacy liability issues
- 3 ASSET PORTFOLIO IS HIGH QUALITY AND GENERATES SAFE INVESTMENT GRADE YIELD**  
Athene has consistently delivered strong net spread generation with lower credit losses versus peers
- 4 FULL ALIGNMENT WITH APOLLO PROVIDES DIFFERENTIATED ACCESS TO THIRD-PARTY CAPITAL**  
Successful ADIP sidecar strategy provides on-demand equity capital to help fund growth
- 5 GOVERNANCE AND RISK CONTROLS ARE UNCHANGED POST-MERGER**  
Athene provides industry-leading disclosure around its balance sheet, investment, and risk management philosophies



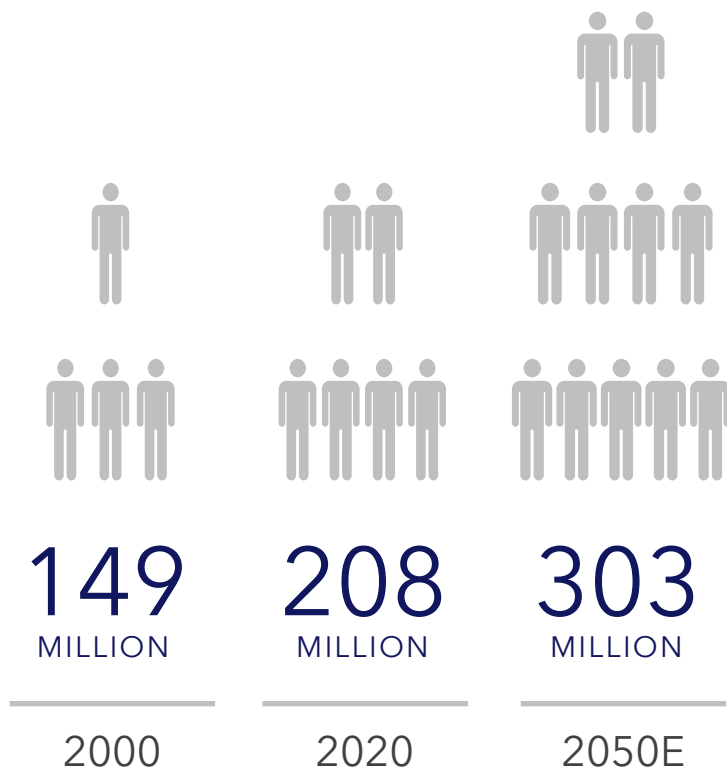
# Additional Perspectives on Retirement Services Industry



# Our Industry Has Amazing Potential to Serve a Growing Societal Need...

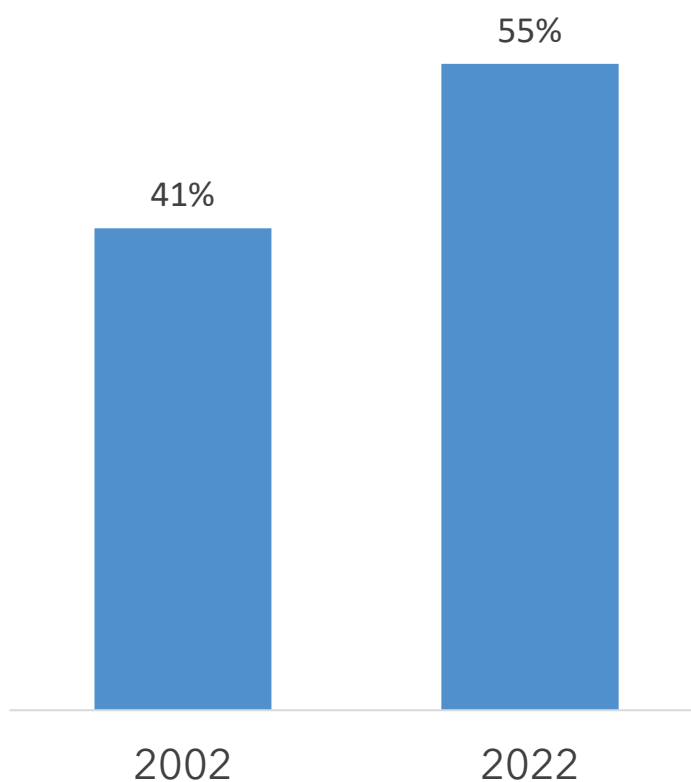
## Growing Retirement Age Population

*U.S. + Europe Population Over Age 65<sup>1</sup>*



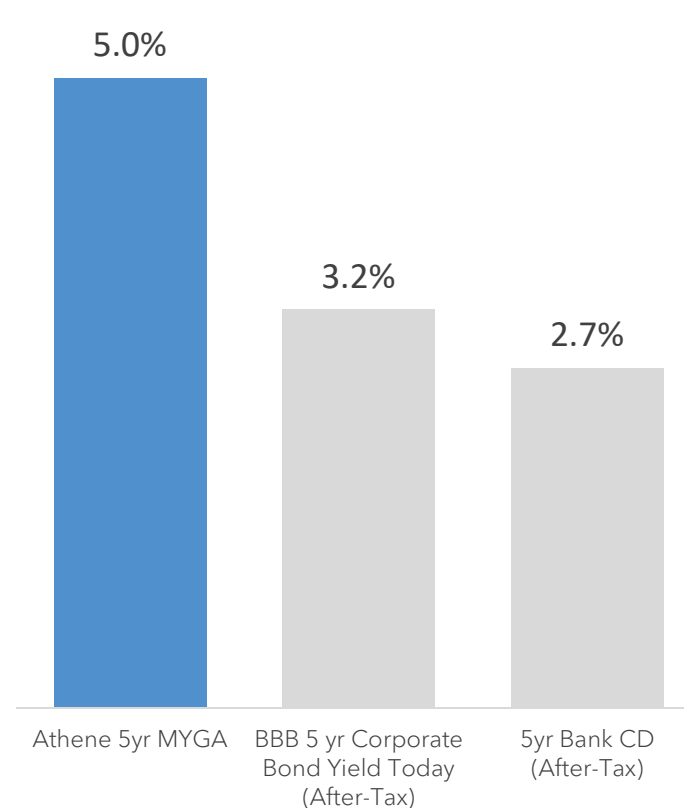
## With a Greater Need for Guaranteed Income

*Defined Contribution Share of Total Retirement Assets<sup>2</sup>*



## And Few Attractive Alternatives

*After-Tax Investment Returns by Type<sup>3</sup>*

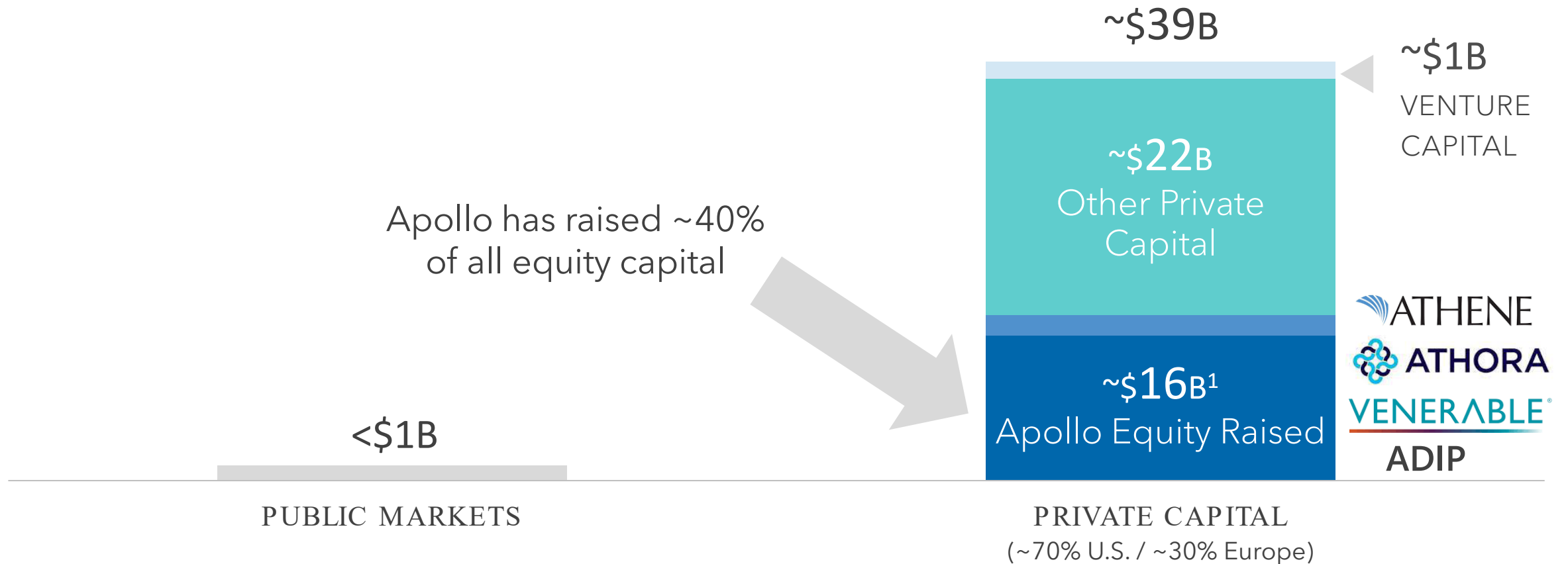


1. United Nations ([here](#)), World Bank ([here](#)). 2. Willis Towers Watson 2023 'Global Pensions Asset Study'. National pensions included are Australia, Canada, Japan, Netherlands, Switzerland, UK, and US. 3. Average 5-year CD from select U.S. regional banks per BankRate (COF, ALLY, BMO, CFG). Returns as shown are after tax, assuming the highest federal income tax rate of 37%. Athene MYGA return is shown without tax given its tax-deferred nature, as of April 2023.



## ... and Has Been Unable to Attract Capital

Capital Raised in the Life Insurance Industry Since 2010 Across the US and Europe (\$B)



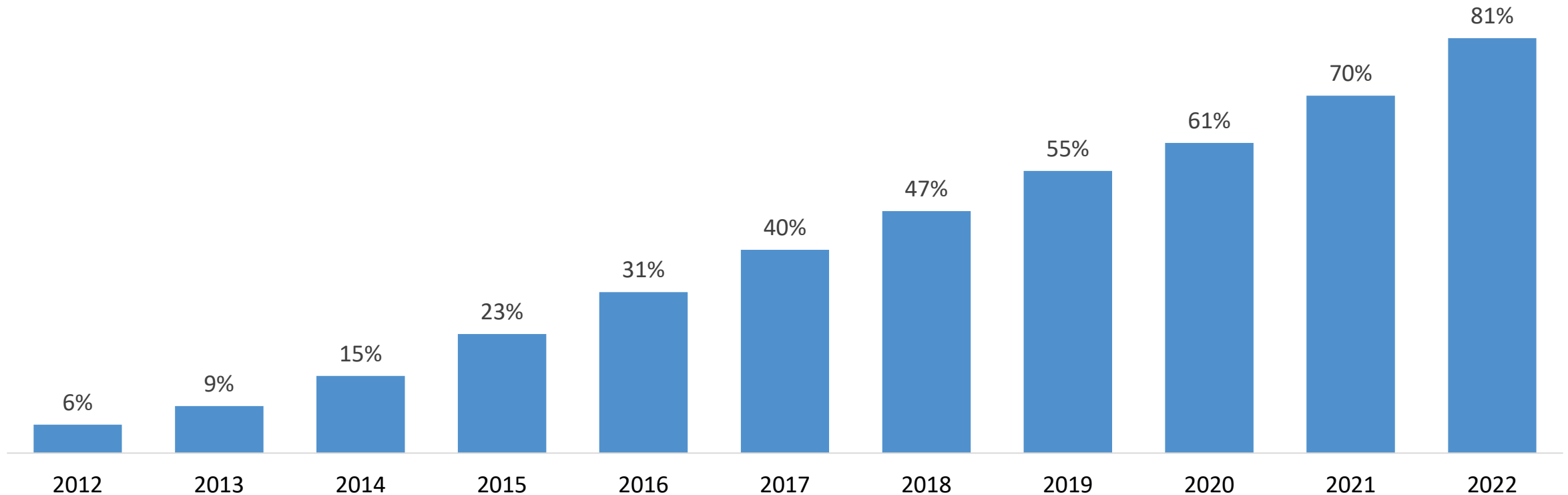
Source: Barclays, SNL Financial, Apollo Analysts. 1. Includes target ADIP II fundraise



# The Industry Has Focused on Returning Its 'Hard' Capital to Shareholders

Many public insurers struggle to generate sufficient returns for shareholders due to high-cost liabilities, bloated expense structures, and lack of "alpha" in investment portfolio - so, they are required to attract shareholders via capital return

## U.S. and European Life Insurers Cumulative Capital Return as % of Current Market Capitalization



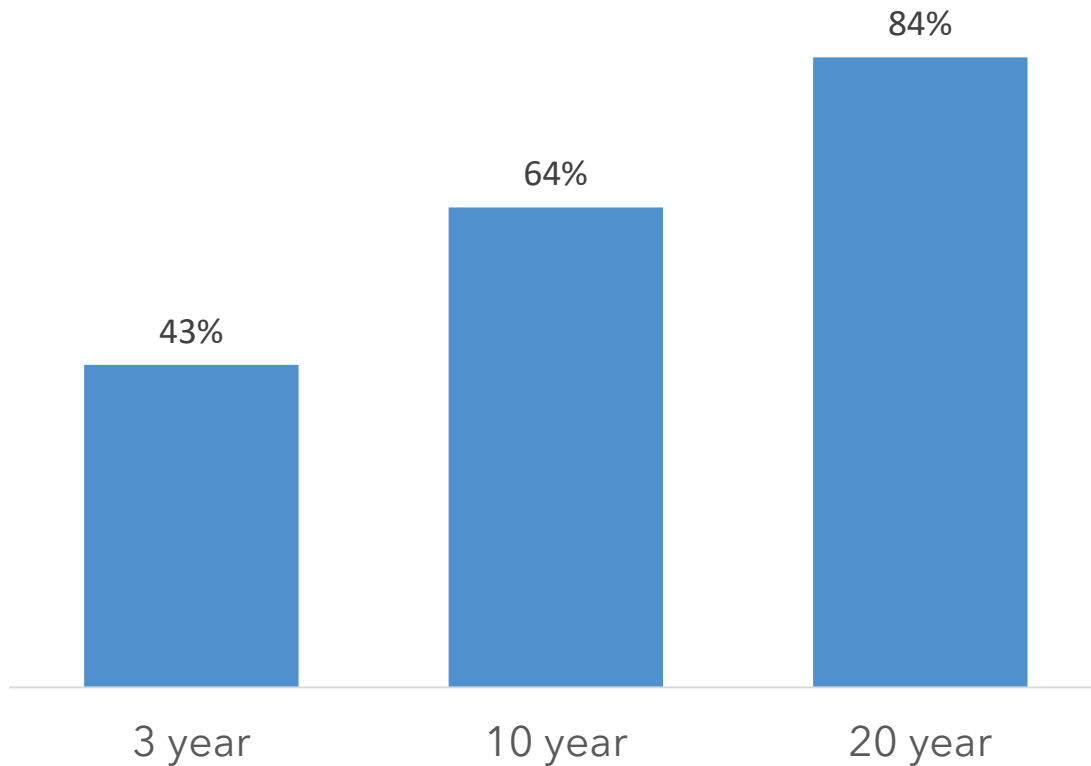
Over the past decade, U.S. and European life insurers have returned capital to shareholders equal to **~80% of current market capitalization**

Source: Capital IQ as of April 2, 2023. Includes US insurers AEL, AIG, LNC, MET, PFG, PRU, and VOYA, and European insurers AXA, Generali, Allianz, Aviva, Swiss Life, Phoenix, L&G, NN, ASR, Ageas and Aegon.



# It Has Become Increasingly Difficult to Organically Build Capital by Generating ‘Safe Yield’ in the Public Fixed Income Markets Alone

% of Active Corporate Bond Managers Underperforming Passive Funds<sup>1</sup>



Liquidity in Public Fixed Income Markets Has Dwindled Since 2008<sup>2</sup>



1. Morningstar's Active/Passive Barometer, year-end 2022 edition ([here](#)). Trailing periods ending 2022. Data shown for Intermediate Bond fund managers, which primarily have a duration of 3-7 years.

2. Sources: Bloomberg, Apollo Chief Economist; chart data reflects period from January 1, 2012 through December 31, 2021.



# The Ability to Originate Assets is Now Table Stakes

## Insurers Have Acquired Asset Managers



But much of the industry is behind the curve



# So The Industry Has Had to Rely on Asset Classes that Provide an Efficient Return Relative to Required Capital but Not Necessarily Economic Risk

	Indicative Rating Agency Capital Model Factors	U.S. RBC (400%)	European SII
Single 'A' Corporate Debt	~1%	~3%	~7%
Unrated Corporate Debt	~67%	~95%	~15%
Single 'A' Structured Credit	~2%	~3%	~83% (CLO) ~23% (STS ABS) <sup>1</sup> ~80-100% (Other)
Southern European Sovereign <sup>2</sup>	~12%	~9%	~0%
Commercial Real Estate Equity <sup>3</sup>	~13%	~35%	~50%
Commercial Mortgage Loans <sup>4</sup>	~6%	~6%	~15%

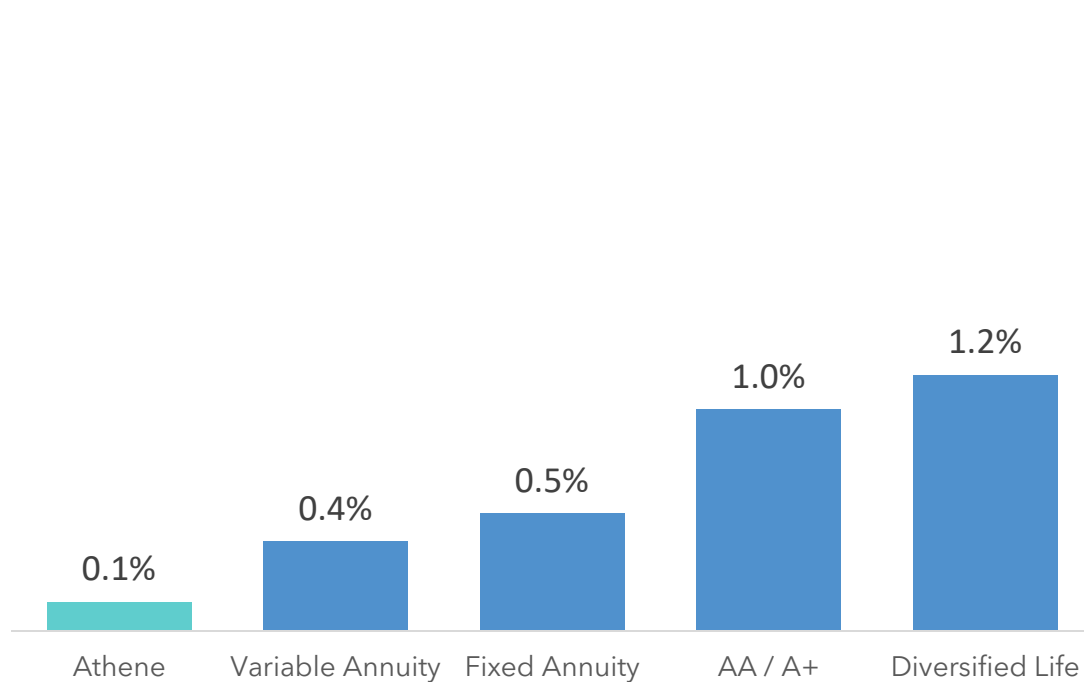
Note: European asset charges assume a 5-year duration. 1. Abbreviation stands for "Simple Transparent, Standardized" ABS. 2. Southern European Sovereign charge in U.S. is equivalent to BB rating, in line with Greece sovereign debt rating from S&P. 3 Commercial real estate equity assumes Schedule A direct real estate at low LTVs. 4. Commercial Mortgage Loans assume CM2 under NAIC with 80% LTV and 1.2x DSCR.



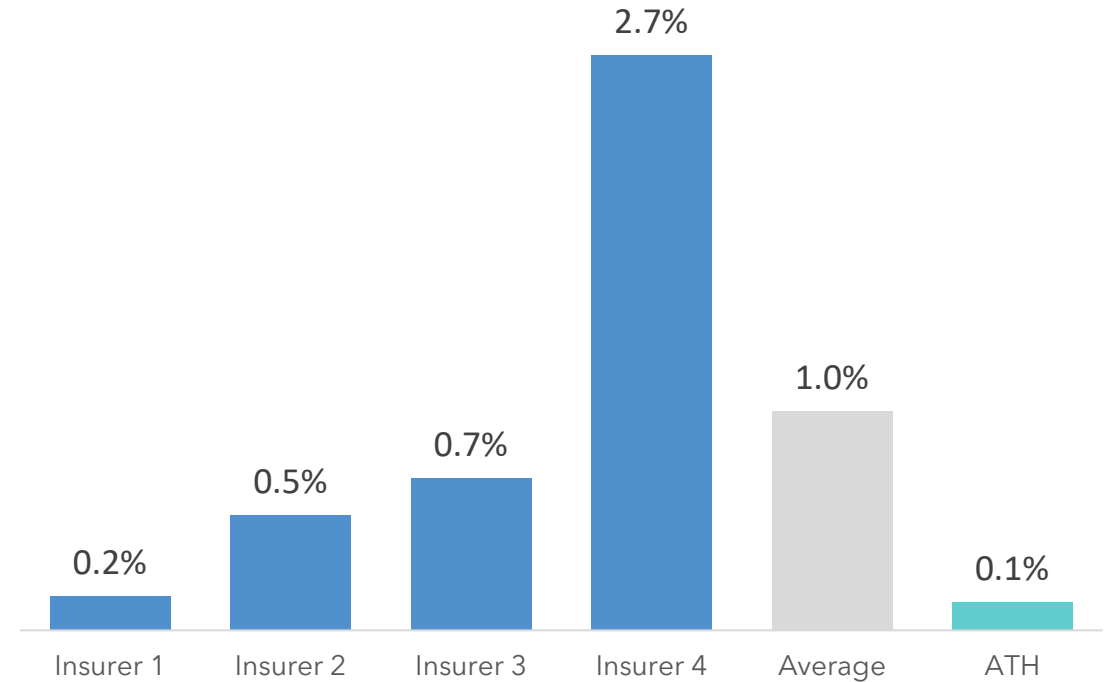
# U.S. Insurers May Have Crowded into Commercial Real Estate Equity

## Real Estate Equity as % of Total General Account Assets

U.S. Retirement Services Companies by Type



Select AA/A+ Retirement Services Peers



In 2021, the NAIC lowered capital charges on Schedule A Real Estate Equity from 15% to 11% and Schedule BA Real Estate Equity from 23% to 13%

Note: CRE equity includes affiliated and unaffiliated real estate from Schedule BA and Schedule A directly held real estate as reported on statutory filings, aggregated by SNL Financial. Metrics shown as a % of invested assets as of December 31, 2022. Variable Annuity Companies include JXN, LNC, BHF, and EQH. Diversified Life Insurers include MET, PRU and CRBG. Fixed Annuity Companies include AEL, Global Atlantic, FG, and CNO; AA/A+ rated companies include MET, PRU, CRBG and EQH.



# Capital Charges Should Reflect the Principle of 'Equal Capital for Equal Risk'

We're Arguing For the Appropriate Amount of Capital for Relevant Risk, Not Less Capital

1

Capital charges should be applied consistently across all asset classes, and accurately reflect the economic risk of the underlying credits

2

Capital charges need to be based on evidence (history and stress testing) without discrimination

3

If a stress or approach is applied to one asset class, it should be applied across all asset classes

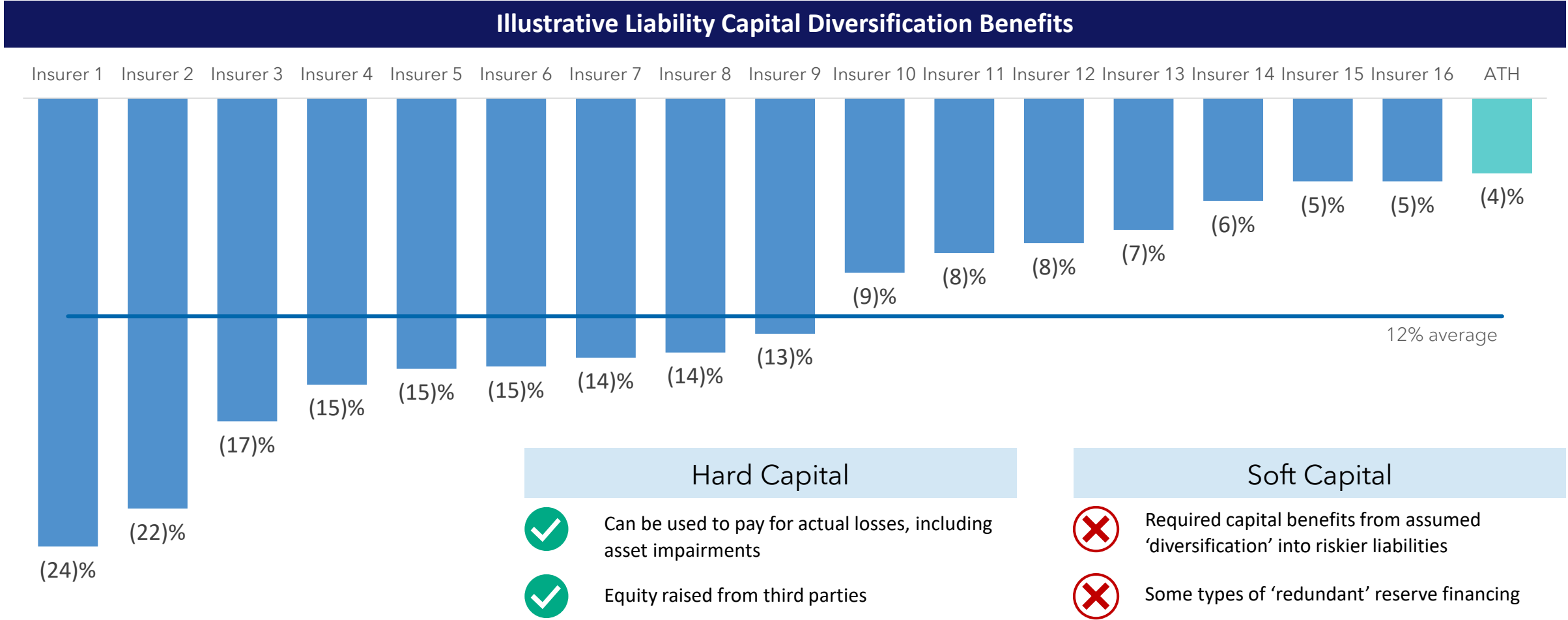
4

A consistent framework across time and across asset classes gives investors confidence to invest long-term capital



# Even with ‘Capital Efficient’ Assets, Many Life Insurers Are Reliant on ‘Soft’ Capital

## Industry Capital Models Often Give Capital Benefits for Diversification



Note: Liability mix calculated using US regulatory filings as of December 31, 2022. The information provided herein is based on the views and opinions of Apollo Analysts.

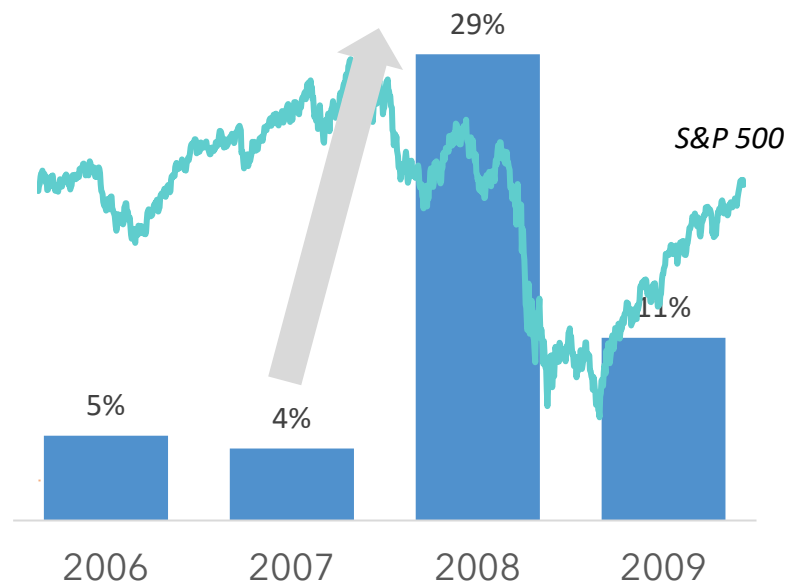


# Diversification Into Higher Risk Liabilities Hurts the Risk Profile

## Case Study: Variable Annuities w/ Living Benefits (2006-2009)

Unhedged market guarantees ballooned as equity markets and interest rates declined in 2008

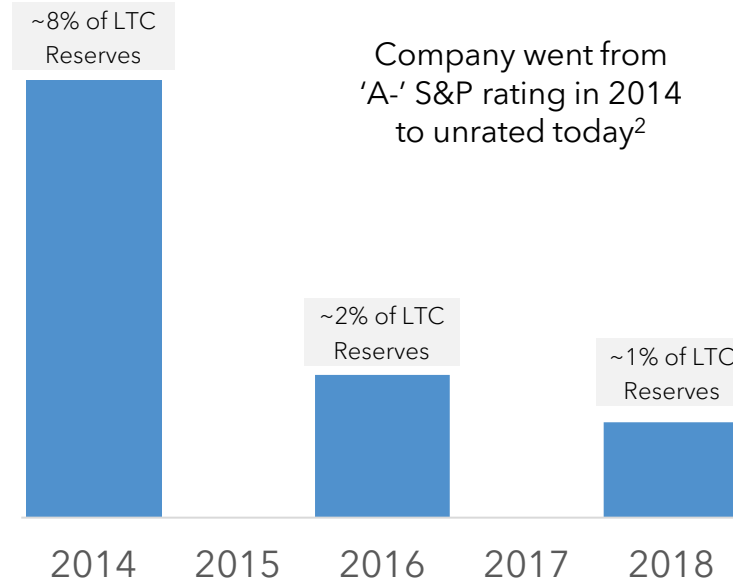
### Living Benefit Guarantees Above Account Value<sup>1</sup>



## Case Study: Long-Term Care (LTC) (2014-2018)

LTC carriers had to increase reserves as people entered nursing homes earlier and stayed longer than expected

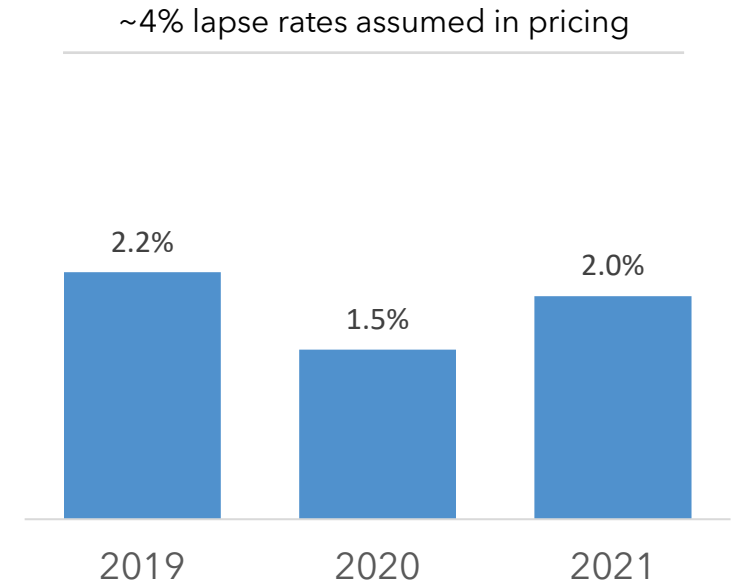
### Select Example of GAAP LTC Reserve Strengthening



## Case Study: Secondary Guarantee Universal Life (2020-2022)

Fewer policyholders than expected lapsed on guaranteed UL, translating to higher-than-expected life insurance payouts

### ULSG Industry Lapse rates<sup>3</sup>



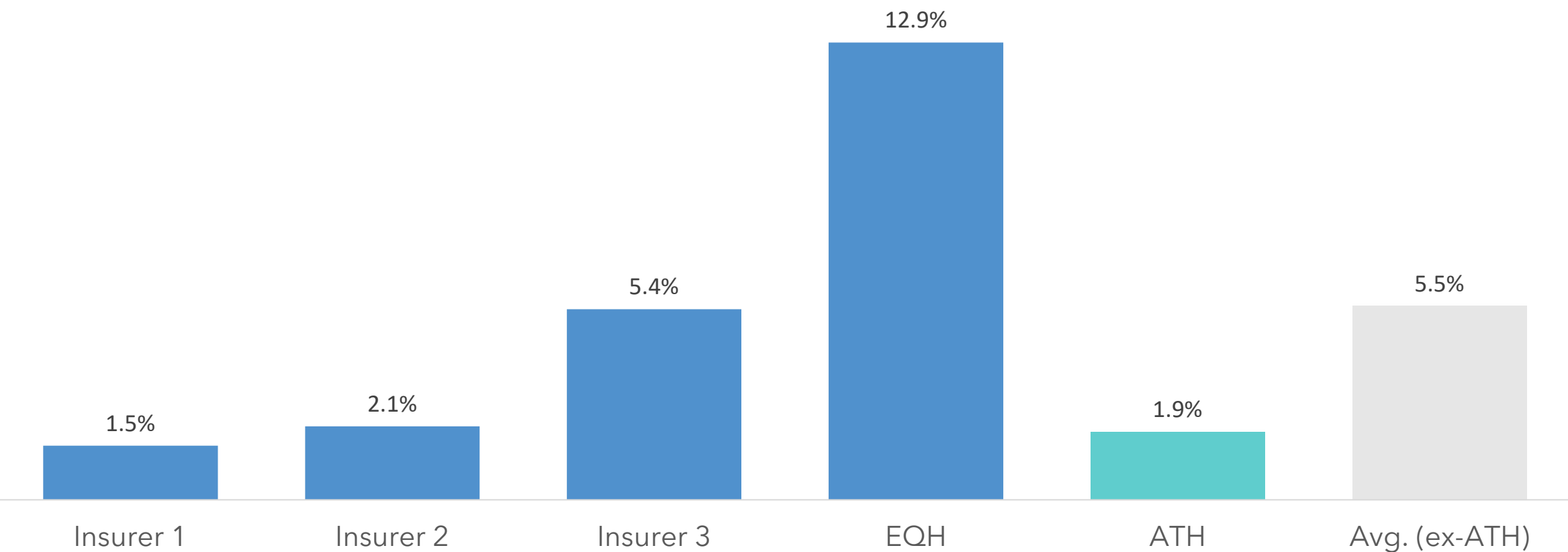
History does not repeat, but it rhymes

1. Living Benefit net amount at risk (NAR) as a percentage of living benefit account value. Calculated as median for Hartford, Manulife, Prudential, Jackson, Lincoln, AEGON, Brighthouse, AXA and Voya as available. 2. S&P insurer financial strength rating as of year-end for select U.S. insurance company. 3. Statutory non-death release of reserves divided by beginning of period ULSG stat reserves. Includes Prudential, Lincoln National, John Hancock (Manulife), Brighthouse, Transamerica (Aegon).



# Some U.S. Insurers May be Reliant on Wholesale Funding Sources

FHLB Borrowings as % of General Account Assets for Select U.S. Life Insurers



Note Data as of December 31, 2022. FHLB borrowing includes funding agreements issued to FHLB and advances from FHLB, as disclosed in 2022 10K's. Expressed as a percentage of general account assets as reported in US regulatory filings, except for Athene which is expressed as a percentage of net invested assets to include both US and Bermuda subsidiaries. Average includes CRBG, EQH, MET & PRU.



# Non-GAAP Measures & Definitions

## Non-GAAP Definitions

In addition to our results presented in accordance with accounting principles generally accepted in the United States of America (US GAAP), we present certain financial information that includes non-GAAP measures. Management believes the use of these non-GAAP measures, together with the relevant US GAAP measures, provides information that may enhance an investor's understanding of our results of operations and the underlying profitability drivers of our business. The majority of these non-GAAP measures are intended to remove from the results of operations the impact of market volatility (other than with respect to alternative investments) as well as integration, restructuring and certain other expenses which are not part of our underlying profitability drivers, as such items fluctuate from period to period in a manner inconsistent with these drivers. These measures should be considered supplementary to our results in accordance with US GAAP and should not be viewed as a substitute for the corresponding US GAAP measures.

## Spread Related Earnings (SRE)

Spread related earnings is a pre-tax non-GAAP measure used to evaluate our financial performance excluding market volatility and expenses related to integration, restructuring, stock compensation and other expenses. Our spread related earnings equals net income (loss) available to AHL common shareholder adjusted to eliminate the impact of the following: (a) investment gains (losses), net of offsets, (b) non-operating change in insurance liabilities and related derivatives (c) integration, restructuring, and other non-operating expenses, (d) stock compensation expense and (e) income tax (expense) benefit.

We consider these adjustments to be meaningful adjustments to net income (loss) available to AHL common shareholder. Accordingly, we believe using a measure which excludes the impact of these items is useful in analyzing our business performance and the trends in our results of operations. Together with net income (loss) available to AHL common shareholder, we believe spread related earnings provides a meaningful financial metric that helps investors understand our underlying results and profitability. Spread related earnings should not be used as a substitute for net income (loss) available to AHL common shareholder.

## Adjusted Debt to Capital Ratio

Adjusted debt to capital ratio is a non-GAAP measure used to evaluate our capital structure excluding the impacts of AOCI and the cumulative changes in fair value of funds withheld and modco reinsurance assets as well as mortgage loan assets, net of tax. Adjusted debt to capital ratio is calculated as total debt at notional value divided by adjusted capitalization. Adjusted capitalization includes our adjusted AHL common shareholder's equity, preferred stock and the notional value of our debt. Adjusted AHL common shareholder's equity is calculated as the ending AHL shareholders' equity excluding AOCI, the cumulative changes in fair value of funds withheld and modco reinsurance assets and mortgage loan assets as well as preferred stock. These adjustments fluctuate period to period in a manner inconsistent with our underlying profitability drivers as the majority of such fluctuation is related to the market volatility of the unrealized gains and losses associated with our AFS securities. Except with respect to reinvestment activity relating to acquired blocks of businesses, we typically buy and hold AFS investments to maturity throughout the duration of market fluctuations, therefore, the period-over-period impacts in unrealized gains and losses are not necessarily indicative of current operating fundamentals or future performance. Adjusted debt to capital ratio should not be used as a substitute for the debt to capital ratio. However, we believe the adjustments to shareholders' equity are significant to gaining an understanding of our capitalization, debt utilization and debt capacity.



# Non-GAAP Measures & Definitions

## Cost of Funds

Cost of funds includes liability costs related to cost of crediting on both deferred annuities and institutional products as well as other liability costs, but does not include the proportionate share of the ACRA cost of funds associated with the noncontrolling interest. Cost of crediting on deferred annuities is the interest credited to the policyholders on our fixed strategies as well as the option costs on the indexed annuity strategies. With respect to FIAs, the cost of providing index credits includes the expenses incurred to fund the annual index credits, and where applicable, minimum guaranteed interest credited. Cost of crediting on institutional products is comprised of (1) pension group annuity costs, including interest credited, benefit payments and other reserve changes, net of premiums received when issued, and (2) funding agreement costs, including the interest payments and other reserve changes. Other liability costs include DAC, DSI and VOA amortization, certain market risk benefit costs, the cost of liabilities on products other than deferred annuities and institutional products, premiums and certain product charges and other revenues. We exclude the costs related to business that we have exited through ceded reinsurance transactions. Cost of funds is computed as the total liability costs divided by the average net invested assets, for the relevant period. To enhance the ability to analyze these measures across periods, interim periods are annualized. We believe a measure like cost of funds is useful in analyzing the trends of our core business operations, profitability and pricing discipline. While we believe cost of funds is a meaningful financial metric and enhances our understanding of the underlying profitability drivers of our business, it should not be used as a substitute for total benefits and expenses presented under US GAAP.

## Net Invested Assets

In managing our business, we analyze net invested assets, which does not correspond to total investments, including investments in related parties, as disclosed in our consolidated financial statements and notes thereto. Net invested assets represent the investments that directly back our net reserve liabilities as well as surplus assets. Net invested assets is used in the computation of net investment earned rate, which allows us to analyze the profitability of our investment portfolio. Net invested assets includes (a) total investments on the consolidated balance sheet, with AFS securities at cost or amortized cost, excluding derivatives, (b) cash and cash equivalents and restricted cash, (c) investments in related parties, (d) accrued investment income, (e) VIE and VOE assets, liabilities and noncontrolling interest adjustments, (f) net investment payables and receivables, (g) policy loans ceded (which offset the direct policy loans in total investments) and (h) an adjustment for the allowance for credit losses. Net invested assets excludes assets associated with funds withheld liabilities related to business exited through reinsurance agreements and derivative collateral (offsetting the related cash positions). We include the underlying investments supporting our assumed funds withheld and modco agreements in our net invested assets calculation in order to match the assets with the income received. We believe the adjustments for reinsurance provide a view of the assets for which we have economic exposure. Net invested assets includes our proportionate share of ACRA investments, based on our economic ownership, but does not include the proportionate share of investments associated with the noncontrolling interest. Our net invested assets are averaged over the number of quarters in the relevant period to compute our net investment earned rate for such period. While we believe net invested assets is a meaningful financial metric and enhances our understanding of the underlying drivers of our investment portfolio, it should not be used as a substitute for total investments, including related parties, presented under US GAAP.

## Net Reserve Liabilities

In managing our business, we also analyze net reserve liabilities, which does not correspond to total liabilities as disclosed in our consolidated financial statements and notes thereto. Net reserve liabilities represent our policyholder liability obligations net of reinsurance and is used to analyze the costs of our liabilities. Net reserve liabilities include (a) interest sensitive contract liabilities, (b) future policy benefits, (c) net market risk benefits, (d) long-term repurchase obligations, (e) dividends payable to policyholders and (f) other policy claims and benefits, offset by reinsurance recoverable, excluding policy loans ceded. Net reserve liabilities include our proportionate share of ACRA reserve liabilities, based on our economic ownership, but do not include the proportionate share of reserve liabilities associated with the noncontrolling interest. Net reserve liabilities is net of the ceded liabilities to third-party reinsurers as the costs of the liabilities are passed to such reinsurers and, therefore, we have no net economic exposure to such liabilities, assuming our reinsurance counterparties perform under our agreements. The majority of our ceded reinsurance is a result of reinsuring large blocks of life business following acquisitions. For such transactions, US GAAP requires the ceded liabilities and related reinsurance recoverables to continue to be recorded in our consolidated financial statements despite the transfer of economic risk to the counterparty in connection with the reinsurance transaction. While we believe net reserve liabilities is a meaningful financial metric and enhances our understanding of the underlying profitability drivers of our business, it should not be used as a substitute for total liabilities presented under US GAAP.



# Non-GAAP Measures & Definitions

## Sales

Sales statistics do not correspond to revenues under US GAAP but are used as relevant measures to understand our business performance as it relates to inflows generated during a specific period of time. Our sales statistics include inflows for fixed rate annuities and FIAs and align with the LIMRA definition of all money paid into an individual annuity, including money paid into new contracts with initial purchase occurring in the specified period and existing contracts with initial purchase occurring prior to the specified period (excluding internal transfers). We believe sales is a meaningful metric that enhances our understanding of our business performance and is not the same as premiums presented in our condensed consolidated statements of income (loss).

## Assets Under Management

“Assets Under Management”, or “AUM”, refers to the assets of the funds, partnerships and accounts to which Apollo provides investment management, advisory, or certain other investment-related services, including, without limitation, capital that such funds, partnerships and accounts have the right to call from investors pursuant to capital commitments. AUM equals the sum of:

1. the net asset value (“NAV”), plus used or available leverage and/or capital commitments, or gross assets plus capital commitments, of the yield and certain hybrid funds, partnerships and accounts for which we provide investment management or advisory services, other than certain collateralized loan obligations (“CLOs”), collateralized debt obligations (“CDOs”), and certain perpetual capital vehicles, which have a fee-generating basis other than the mark-to-market value of the underlying assets; for certain perpetual capital vehicles in yield, gross asset value plus available financing capacity;
2. the fair value of the investments of equity and certain hybrid funds, partnerships and accounts Apollo manages or advises, plus the capital that such funds, partnerships and accounts are entitled to call from investors pursuant to capital commitments, plus portfolio level financings;
3. the gross asset value associated with the reinsurance investments of the portfolio company assets Apollo manages or advises; and
4. the fair value of any other assets that Apollo manages or advises for the funds, partnerships and accounts to which Apollo provides investment management, advisory, or certain other investment-related services, plus unused credit facilities, including capital commitments to such funds, partnerships and accounts for investments that may require pre-qualification or other conditions before investment plus any other capital commitments to such funds, partnerships and accounts available for investment that are not otherwise included in the clauses above. Apollo’s AUM measure includes Assets Under Management for which Apollo charges either nominal or zero fees.

Apollo’s AUM measure also includes assets for which Apollo does not have investment discretion, including certain assets for which Apollo earns only investment-related service fees, rather than management or advisory fees. Apollo’s definition of AUM is not based on any definition of Assets Under Management contained in its governing documents or in any Apollo Fund management agreements. Apollo considers multiple factors for determining what should be included in its definition of AUM. Such factors include but are not limited to (1) Apollo’s ability to influence the investment decisions for existing and available assets; (2) Apollo’s ability to generate income from the underlying assets in its funds; and (3) the AUM measures that Apollo uses internally or believes are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, Apollo’s calculation of AUM may differ from the calculations employed by other investment managers and, as a result, this measure may not be directly comparable to similar measures presented by other investment managers. Apollo’s calculation also differs from the manner in which its affiliates registered with the SEC report “Regulatory Assets Under Management” on Form ADV and Form PF in various ways.

Apollo uses AUM as a performance measurement of its investment activities, as well as to monitor fund size in relation to professional resource and infrastructure needs.



# Non-GAAP Measure Reconciliations

RECONCILIATION OF TOTAL AHL SHAREHOLDERS' EQUITY TO TOTAL ADJUSTED AHL COMMON SHAREHOLDER'S EQUITY	Dec. 31, 2018	June 30, 2019	Dec. 31, 2019	June 30, 2020	Dec. 31, 2020	June 30, 2021	Dec. 31, 2021	March 31, 2022	June 30, 2022	Sept. 30, 2022	Dec. 31, 2022	March 31, 2023
Total AHL shareholders' equity	\$ 8,276	\$ 12,365	\$ 13,391	\$ 14,711	\$ 18,657	\$ 20,006	\$ 20,130	\$ 13,973	\$ 8,697	\$ 5,133	\$ 7,158	\$ 8,698
Less: Preferred stock	—	839	1,172	1,755	2,312	2,312	2,312	2,667	2,667	2,667	3,154	3,154
Total AHL common shareholder's equity	8,276	11,526	12,219	12,956	16,345	17,694	17,818	11,306	6,030	2,466	4,004	5,544
Less: Accumulated other comprehensive income (loss)	(472)	1,760	2,281	2,184	3,971	3,337	2,430	(2,318)	(5,698)	(8,473)	(7,321)	(6,148)
Less: Accumulated change in fair value of reinsurance assets	(75)	639	493	615	1,142	886	585	(1,271)	(2,521)	(3,394)	(3,127)	(2,791)
Less: Accumulated change in fair value of mortgage loan assets	—	—	—	—	—	—	—	(629)	(1,340)	(2,095)	(2,201)	(2,022)
Total adjusted AHL common shareholder's equity	\$ 8,823	\$ 9,127	\$ 9,445	\$ 10,157	\$ 11,232	\$ 13,471	\$ 14,803	\$ 15,524	\$ 15,589	\$ 16,428	\$ 16,653	\$ 16,505

RECONCILIATION OF DEBT TO CAPITAL RATIO TO ADJUSTED DEBT TO CAPITAL RATIO	Dec. 31, 2018	June 30, 2019	Dec. 31, 2019	June 30, 2020	Dec. 31, 2020	June 30, 2021	Dec. 31, 2021	March 31, 2022	June 30, 2022	Sept. 30, 2022	Dec. 31, 2022	March 31, 2023
Total debt	\$ 991	\$ 991	\$ 1,467	\$ 1,486	\$ 1,976	\$ 2,468	\$ 2,964	\$ 3,287	\$ 3,279	\$ 3,271	\$ 3,658	\$ 3,650
Less: Adjustment to arrive at notional debt	(9)	(9)	(8)	(14)	(24)	(32)	(36)	287	279	271	258	250
Notional debt	\$ 1,000	\$ 1,000	\$ 1,475	\$ 1,500	\$ 2,000	\$ 2,500	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,400	\$ 3,400

Total debt	\$ 991	\$ 991	\$ 1,467	\$ 1,486	\$ 1,976	\$ 2,468	\$ 2,964	\$ 3,287	\$ 3,279	\$ 3,271	\$ 3,658	\$ 3,650
Total AHL shareholders' equity	8,276	12,365	13,391	14,711	18,657	20,006	20,130	13,973	8,697	5,133	7,158	8,698
Total capitalization	9,267	13,356	14,858	16,197	20,633	22,474	23,094	17,260	11,976	8,404	10,816	12,348
Less: Accumulated other comprehensive income (loss)	(472)	1,760	2,281	2,184	3,971	3,337	2,430	(2,318)	(5,698)	(8,473)	(7,321)	(6,148)
Less: Accumulated change in fair value of reinsurance assets	(75)	639	493	615	1,142	886	585	(1,271)	(2,521)	(3,394)	(3,127)	(2,791)
Less: Accumulated change in fair value of mortgage loan assets	—	—	—	—	—	—	—	(629)	(1,340)	(2,095)	(2,201)	(2,022)
Less: Adjustment to arrive at notional debt	(9)	(9)	(8)	(14)	(24)	(32)	(36)	287	279	271	258	250
Total adjusted capitalization	\$ 9,823	\$ 10,966	\$ 12,092	\$ 13,412	\$ 15,544	\$ 18,283	\$ 20,115	\$ 21,191	\$ 21,256	\$ 22,095	\$ 23,207	\$ 23,059

Debt to capital ratio	10.7 %	7.4 %	9.9 %	9.2 %	9.6 %	11.0 %	12.8 %	19.0 %	27.4 %	38.9 %	33.8 %	29.6 %
Accumulated other comprehensive income (loss)	-0.5%	1.2 %	1.8 %	1.5 %	2.4 %	2.0 %	1.6 %	(2.0)%	(7.3)%	(14.7)%	(10.5)%	(7.8)%
Accumulated change in fair value of reinsurance assets	-0.1%	0.4 %	0.4 %	0.4 %	0.7 %	0.5 %	0.4 %	(1.1)%	(3.2)%	(5.9)%	(4.5)%	(3.5)%
Accumulated change in fair value of mortgage loan assets	— %	— %	— %	— %	— %	— %	— %	(0.6)%	(1.7)%	(3.7)%	(3.2)%	(2.6)%
Adjustment to arrive at notional debt	0.1%	0.1 %	0.1 %	0.1 %	0.2 %	0.2 %	0.1 %	(1.1)%	(1.1)%	(1.0)%	(0.9)%	(1.0)%
Adjusted debt to capital ratio	10.2 %	9.1 %	12.2 %	11.2 %	12.9 %	13.7 %	14.9 %	14.2 %	14.1 %	13.6 %	14.7 %	14.7 %



# Non-GAAP Measure Reconciliations

RECONCILIATION OF NET INCOME (LOSS) AVAILABLE TO AHL COMMON SHAREHOLDER TO NORMALIZED SPREAD RELATED EARNINGS	Years ended December 31,					Three months ended March 31, 2023
	2018	2019	2020	2021	2022	
Net income (loss) available to Athene Holding Ltd. common shareholder	\$ 1,053	\$ 2,136	\$ 1,446	\$ 3,718	\$ (3,051)	\$ 721
Preferred stock dividends	–	36	95	141	141	47
Net income (loss) attributable to noncontrolling interests	–	13	380	(59)	(2,106)	455
Net income (loss)	1,053	2,185	1,921	3,800	(5,016)	1,223
Income tax expense (benefit)	122	117	285	386	(646)	163
Income (loss) before income taxes	1,175	2,302	2,206	4,186	(5,662)	1,386
Investment gains (losses), net of offsets	(274)	994	733	1,024	(7,434)	397
Non-operating change in insurance liabilities and related derivatives, net of offsets	242	(65)	(235)	692	1,433	(135)
Integration, restructuring and other non-operating expenses	(22)	(70)	(10)	(124)	(133)	(29)
Stock compensation expense	(26)	(27)	(25)	(38)	(56)	(16)
Preferred stock dividends	–	36	95	141	141	47
Noncontrolling interests - pre-tax income (loss) and VIE adjustments	–	13	393	(18)	(2,079)	435
Less: Total adjustments to income (loss) before income taxes	(80)	881	951	1,677	(8,128)	699
Spread related earnings	1,255	1,421	1,255	2,509	2,466	687
Normalization of alternative investment income to 11%, net of offsets	91	37	152	(609)	80	148
Other notable items	34	5	(40)	(52)	3	(25)
Normalized spread related earnings	\$ 1,380	\$ 1,463	\$ 1,367	\$ 1,848	\$ 2,549	\$ 810

RECONCILIATION OF BENEFITS AND EXPENSES TO COST OF FUNDS		For the three months ended March 31, 2023	
GAAP benefits and expenses	\$	2,674	5.31%
Premiums		(96)	(0.19)%
Product charges		(198)	(0.39)%
Other revenues		(13)	(0.03)%
FIA option costs		365	0.72 %
Reinsurance impacts		(37)	(0.07)%
Non-operating change in insurance liabilities and embedded derivatives		(873)	(1.73)%
Policy and other operating expenses, excluding policy acquisition expenses		(310)	(0.62)%
AmerUs Closed Block fair value liability		(42)	(0.08)%
ACRA noncontrolling interest		(287)	(0.57)%
Other		52	0.10 %
Total adjustments to arrive at cost of funds		(1,439)	(2.86)%
Total cost of funds	\$	1,235	2.45 %

Average net invested assets

\$ 201,600



# Non-GAAP Measure Reconciliations

## RECONCILIATION OF TOTAL INVESTMENTS, INCLUDING RELATED PARTIES, TO NET INVESTED ASSETS

March 31, 2023

Total investments, including related parties	\$	203,230
Derivative assets		(3,956)
Cash and cash equivalents (including restricted cash)		14,992
Accrued investment income		1,458
Net receivable (payable) for collateral on derivatives		(1,909)
Reinsurance funds withheld and modified coinsurance		942
VIE and VOE assets, liabilities and noncontrolling interest		12,799
Unrealized (gains) losses		19,782
Ceded policy loans		(175)
Net investment receivables (payables)		39
Allowance for credit losses		521
Other investments		(50)
Total adjustments to arrive at gross invested assets		44,443
Gross invested assets		247,673
ACRA noncontrolling interest		(40,924)
Net invested assets	\$	206,749

## RECONCILIATION OF TOTAL LIABILITIES TO NET RESERVE LIABILITIES

March 31, 2023

Total Liabilities	\$	244,604
Debt		(3,650)
Derivative Liabilities		(1,518)
Payables for collateral on derivatives and securities to repurchase		(7,331)
Other liabilities		(1,381)
Liabilities of consolidated VIEs		(847)
Reinsurance impacts		(9,090)
Policy loans ceded		(175)
Market risk benefit asset		(440)
ACRA noncontrolling interest		(35,281)
Total adjustments to arrive at net reserve liabilities		(59,713)
Net reserve liabilities	\$	184,891